

**LOTTERY AUTHORITY, IOWA[531]****Notice of Intended Action**

**Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”**

**Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.**

Pursuant to the authority granted in Iowa Code section 99G.9(3), the Board of Directors of the Iowa Lottery Authority hereby gives Notice of Intended Action to amend Chapter 1, “General Operation of the Lottery,” Chapter 2, “Purchasing,” Chapter 3, “Procedure for Rule Making,” Chapter 5, “Contested Cases,” Chapter 6, “Declaratory Orders,” Chapter 18, “Scratch Ticket General Rules,” Chapter 19, “Pull-Tab General Rules,” and Chapter 20, “Computerized Games—General Rules,” Iowa Administrative Code.

Chapters 1 to 3, 5, 6 and 18 to 20 are each being amended to update the new business address of the Iowa Lottery Authority.

In addition, the rules in Chapters 18, 19, and 20 are being amended to update the method for relaying game odds to players. Consistent with Iowa Code section 99G.9(3)“c,” the Lottery maintains materials on the games offered by the Lottery and the odds of winning the prizes available for each game at Lottery offices, and those materials are available for review by the public. In addition, the Lottery presently utilizes other methods to ensure players have access to information on game odds. These methods include providing game odds in brochures and written materials found at the retail locations where Iowa Lottery products are sold, as well as posting odds and other game information on the Iowa Lottery’s Web site, [www.ialottery.com](http://www.ialottery.com).

Lottery games use specially ordered paper for tickets and play slips. Consistent with the present administrative rules, those preprinted tickets and play slips contain game odds. The Lottery supplies game tickets and game slips to over 2,000 Iowa Lottery retailers across the state. If a change or upgrade to a game has an impact on published game odds, the process for recalling, reordering, and resupplying tickets and stocks to each Iowa Lottery retailer can create a significant administrative expense. Any such expense necessarily lowers the Lottery proceeds that provide support for veterans, supplement the state General Fund, and back the Vision Iowa program. That expense would seem unwarranted, as prize and odds information is already available at Lottery offices, at retail locations, and, in today’s world, online.

These amendments were identified through a regular review of the Iowa Lottery Authority’s administrative rules.

Interested persons may submit comments on the proposed amendments orally or in writing until 4:30 p.m. on February 24, 2015, to Rob Porter, Vice President/General Counsel, Iowa Lottery Authority, through the following methods:

- Via mail to 13001 University Avenue, Clive, Iowa 50325-8225;
- Via e-mail to [rkporter@ialottery.com](mailto:rkporter@ialottery.com);
- Via telephone to (515)725-7851; or
- Via fax to (515)725-7905.

The Board does not intend to grant waivers under the provisions of these rules.

After analysis and review of this rule making, the Board finds that there is no impact on jobs.

These amendments are intended to implement Iowa Code chapter 99G.

The following amendments are proposed.

ITEM 1. Amend rule 531—1.3(17A), introductory paragraph, as follows:

**531—1.3(17A) Location.** Lottery headquarters is located at ~~2323 Grand Avenue, Des Moines, Iowa 50312-5307~~ 13001 University Avenue, Clive, Iowa 50325-8225. The lottery has regional

offices located throughout the state offering some of the services available at the headquarters office. Information regarding lottery headquarters and regional offices can be obtained on the lottery Web site, [www.ialottery.com](http://www.ialottery.com), on point-of-sale game-play publications, and by contacting the lottery headquarters. The lottery authority board may be contacted through lottery headquarters. Office hours at all offices are 8 a.m. to 4:30 p.m., Monday through Friday. Prize redemption operations close at 4 p.m.

ITEM 2. Amend rule 531—1.4(17A), introductory paragraph, as follows:

**531—1.4(17A) Board meetings.** The lottery authority board shall meet at least quarterly and may meet more often if necessary. The chief executive officer, the chairperson of the board, or a majority of the board may call a special board meeting. Board meetings are generally held at lottery headquarters at ~~2323 Grand Avenue, Des Moines, Iowa 50312-5307~~ 13001 University Avenue, Clive, Iowa 50325-8225. Board meetings may be held by teleconference.

ITEM 3. Amend subrule 1.5(5) as follows:

**1.5(5)** Copies of public lottery business records may be obtained upon a written request made to the Iowa Lottery Authority, ~~2323 Grand Avenue, Des Moines, Iowa 50312-5307~~ 13001 University Avenue, Clive, Iowa 50325-8225. The lottery may charge reasonable fees, including staff research and copying time, for the processing of any public records production requests.

ITEM 4. Amend rule 531—2.17(99G), introductory paragraph, as follows:

**531—2.17(99G) Vendor appeals.** Any vendor whose bid or proposal has been timely filed and who is aggrieved by the award of the lottery may appeal the decision by filing a written notice of appeal before the Iowa Lottery Authority Board, ~~2323 Grand Avenue, Des Moines, Iowa 50312-5307~~ 13001 University Avenue, Clive, Iowa 50325-8225, within three days of the date of the award, exclusive of Saturdays, Sundays, and state legal holidays. The notice of appeal must actually be received at this address within the time frame specified to be considered timely. The notice of appeal shall state the grounds upon which the vendor challenges the lottery's award. Following receipt of a notice of appeal which has been timely filed, the board shall notify the aggrieved vendor and the vendor who received the contract award of the procedures to be followed in the appeal. The board may appoint a designee to proceed with the appeal on its behalf.

ITEM 5. Amend subrule 3.5(1) as follows:

**3.5(1) Written comments.** For at least 20 days after publication of the Notice of Intended Action, persons may submit argument, data, and views, in writing, on the proposed rule. Such written submissions should identify the proposed rule to which they relate and should be submitted to the Iowa Lottery Authority, ~~2323 Grand Avenue, Des Moines, Iowa 50312-5307~~ 13001 University Avenue, Clive, Iowa 50325-8225, or the person designated in the Notice of Intended Action.

ITEM 6. Amend subrule 3.5(5) as follows:

**3.5(5) Accessibility.** The lottery shall schedule oral proceedings in rooms accessible to and functional for persons with physical disabilities. Persons who have special requirements should contact the Iowa Lottery Authority, ~~2323 Grand Avenue, Des Moines, Iowa 50312-5307~~ 13001 University Avenue, Clive, Iowa 50325-8225, telephone (515)281-7900 in advance to arrange access or other needed services.

ITEM 7. Amend subrule 3.6(2), introductory paragraph, as follows:

**3.6(2) Mailing list.** Small businesses or organizations of small businesses may be registered on the lottery's small business impact list by making a written application addressed to the Iowa Lottery Authority, ~~2323 Grand Avenue, Des Moines, Iowa 50312-5307~~ 13001 University Avenue, Clive, Iowa 50325-8225. The application for registration shall state:

ITEM 8. Amend subrule 3.11(1) as follows:

**3.11(1) General.** When requested by a person, either prior to the adoption of a rule or within 30 days after its publication in the Iowa Administrative Bulletin as an adopted rule, the lottery shall issue a concise statement of reasons for the rule. Requests for such a statement must be in writing and be delivered to the

Iowa Lottery Authority, ~~2323 Grand Avenue, Des Moines, Iowa 50312-5307~~ 13001 University Avenue, Clive, Iowa 50325-8225. The request should indicate whether the statement is sought for all or only a specified part of the rule. Requests will be considered made on the date received.

ITEM 9. Amend subrule 5.12(3) as follows:

**5.12(3) *Filing—when required.*** After the notice of hearing, all pleadings, motions, documents or other papers in a contested case proceeding shall be filed with the Office of the Chief Executive Officer, Iowa Lottery Authority, ~~2323 Grand Avenue, Des Moines, Iowa 50312-5307~~ 13001 University Avenue, Clive, Iowa 50325-8225. All pleadings, motions, documents or other papers that are required to be served upon a party shall be filed simultaneously in the office of the chief executive officer.

ITEM 10. Amend rule 531—6.1(17A), introductory paragraph, as follows:

**531—6.1(17A) Petition for declaratory order.** Any person may file a petition with the lottery for a declaratory order as to the applicability to specified circumstances of a statute, rule, or order within the primary jurisdiction of the lottery, at the Iowa Lottery Authority, ~~2323 Grand Avenue, Des Moines, Iowa 50312-5307~~ 13001 University Avenue, Clive, Iowa 50325-8225. A petition is deemed filed when it is received by that office. The lottery shall provide the petitioner with a file-stamped copy of the petition if the petitioner provides the lottery an extra copy for this purpose. The petition must be typewritten or legibly handwritten in ink and must substantially conform to the following form:

ITEM 11. Amend subrule 6.3(3), introductory paragraph, as follows:

**6.3(3)** A petition for intervention shall be filed at the Iowa Lottery Authority, ~~2323 Grand Avenue, Des Moines, Iowa 50312-5307~~ 13001 University Avenue, Clive, Iowa 50325-8225. Such a petition is deemed filed when it is received by that office. The lottery will provide the petitioner with a file-stamped copy of the petition for intervention if the petitioner provides an extra copy for this purpose. A petition for intervention must be typewritten or legibly handwritten in ink and must substantially conform to the following form:

ITEM 12. Amend rule 531—6.5(17A) as follows:

**531—6.5(17A) Inquiries.** Inquiries concerning the status of a declaratory order proceeding may be made to the Chief Executive Officer, Iowa Lottery Authority, ~~2323 Grand Avenue, Des Moines, Iowa 50312-5307~~ 13001 University Avenue, Clive, Iowa 50325-8225.

ITEM 13. Amend subrule 6.6(2) as follows:

**6.6(2) *Filing—when required.*** All petitions for declaratory orders, petitions for intervention, briefs, or other papers in a proceeding for a declaratory order shall be filed with the Iowa Lottery Authority, ~~2323 Grand Avenue, Des Moines, Iowa 50312-5307~~ 13001 University Avenue, Clive, Iowa 50325-8225. All petitions, briefs, or other papers that are required to be served upon a party shall be filed simultaneously with the lottery.

ITEM 14. Amend rule 531—18.7(99G), introductory paragraph, as follows:

**531—18.7(99G) Disclosure of odds.** The overall probability of purchasing a winning ticket shall be displayed on ~~each ticket~~ the Iowa lottery's Web site and in game literature made available by the lottery.

ITEM 15. Amend subrule 18.8(3) as follows:

**18.8(3) *Prizes claimed at lottery.*** The specific game rules shall specify prizes that may be claimed only from the lottery. To claim a prize from the lottery, the player may personally present the completed claim form obtained from a licensed retailer or any lottery office and the ticket to any lottery office or may mail the ticket and claim form to the Iowa Lottery Authority, ~~2323 Grand Avenue, Des Moines, Iowa 50312-5307~~ 13001 University Avenue, Clive, Iowa 50325-8225. If the claim is validated by the lottery, the prize or a check, warrant, or draft shall be forwarded to the player in payment of the amount due less any applicable state or federal income tax withholding. If the claim is not validated by the lottery, the claim shall be denied and the player shall be promptly notified.

ITEM 16. Amend rule 531—19.7(99G), introductory paragraph, as follows:

**531—19.7(99G) Disclosure of odds.** The overall probability of purchasing a winning ticket shall be stated on the ~~ticket~~ Iowa lottery's Web site and in game literature made available by the lottery.

ITEM 17. Amend subrule 19.8(3) as follows:

**19.8(3) Prizes claimed at lottery.** The specific game rules shall specify prizes that may be claimed only from the lottery. To claim a prize from the lottery, the player may personally present the completed claim form obtained from a licensed retailer or any lottery office and the ticket to any lottery office or may mail the ticket and claim form to the Iowa Lottery Authority, ~~2323 Grand Avenue, Des Moines, Iowa 50312-4999~~ 13001 University Avenue, Clive, Iowa 50325-8225. If the claim is validated by the lottery, the prize or a check, warrant, or draft shall be forwarded to the player in payment of the amount due less any applicable state or federal income tax withholding. If the claim is not validated by the lottery, the claim shall be denied and the player shall be promptly notified.

ITEM 18. Amend rule 531—20.8(99G), introductory paragraph, as follows:

**531—20.8(99G) Disclosure of odds.** The overall probability of purchasing a winning ticket or share shall be stated on the ~~game ticket~~ Iowa lottery's Web site and in the game literature made available by the lottery.

ITEM 19. Amend subrule 20.14(1), introductory paragraph, as follows:

**20.14(1)** To receive payment for a prize or prizes on any single game ticket or share that total \$600 or less, the winner may take the signed ticket or share directly to any lottery retailer authorized to sell and validate the game, or to any lottery office, or mail the signed ticket or share, along with a completed claim form, to Iowa Lottery Authority, ~~2323 Grand Avenue, Des Moines, Iowa 50312-5307~~ 13001 University Avenue, Clive, Iowa 50325-8225.

ITEM 20. Amend subrule 20.14(2) as follows:

**20.14(2)** To receive payment for a prize or prizes on any single game ticket or share that total more than \$600, the winner may submit the signed ticket or share and a completed claim form directly to any lottery office. The winner may also mail the signed ticket or share and claim form to Iowa Lottery Authority, ~~2323 Grand Avenue, Des Moines, Iowa 50312-5307~~ 13001 University Avenue, Clive, Iowa 50325-8225.